

RD AN No 4192 (4287-B and 4280-B)
June 21, 2006

SUBJECT: Business and Industry Guaranteed Loan and Section 9006 Renewable Energy
Systems and Energy Efficiency Improvement Guaranteed Loan Program
Form RD 1980-44, "Guaranteed Loan Borrower Default Status"

TO: State Directors, Rural Development

ATTN: Business Programs Directors

PURPOSE/INTENDED OUTCOME:

The purpose of this Administrative Notice (AN) is to stress the importance of Form RD 1980-44, "Guaranteed Loan Borrower Default Status" and the necessity of the State Office to ensure that the correct information is recorded in the Guaranteed Loan System (GLS) database.

COMPARISON WITH PREVIOUS AN:

This AN replaces RD AN No. 4092, dated June 17, 2005, which expired on June 30, 2006.

IMPLEMENTATION RESPONSIBILITIES:

The lenders submit Form RD 1980-44 default reports to the field offices when the loans are 30 days past due and cannot become current within 60 days. The lenders must continue to submit the default reports bimonthly until such time the loans are no longer in default. The default reports should be immediately updated by the field offices via Option 3 on the Guaranteed Loan Main Menu. The Guaranteed Loan Main Menu is accessed via the GUARLOAN option on the NITC Teleview Menu. The default report input screen corresponds to the fields on the default report and users will be prompted to successful updates. The field offices should monitor the receipt and update of the default reports by creating past due tracking reports on the GLS. There are several variations of these reports on the National/Finance Office Reports Menu under RBS Home.

EXPIRATION DATE:
June 30, 2007

FILING INSTRUCTIONS:
Preceding RD Instructions 4287-B and 4280-B

Each State Office should review their delinquent loans to ensure the Agency is receiving these forms from the lender and to monitor the accuracy of the data recorded in GLS. Lenders must also submit Form RD 1980-44 on all cases where the Agency has not approved a termination of the interest accrual. The State Office's performance measures will be tied to the accuracy of GLS.

The routine and prioritized updating of the Form RD 1980-44 status reports ensures that accessible and timely information is available for critical decisions regarding the servicing to the affected loans. This can only be accomplished with your consistent monitoring of the GLS database.

In accordance with RD Instructions 4280-B, section 4280.152, all Section 9006 Renewable Energy Systems and Energy Efficiency Improvement Guaranteed Loans are to be serviced in accordance with this subpart.

If you have any questions, please contact the Business and Industry Division Servicing Branch at (202) 690-4103 or the Specialty Lenders Division Servicing Branch at (202) 690-3809.

(Signed by David Rouzer) for

JACKIE J. GLEASON
Acting Administrator
Business and Cooperative Programs